

IMAC-QA Subcommittee
April 14, 2003
Meeting Minutes

Attendees: Jackie Bennett, Racine Co., Co-chair, John Haine, DHFS/DHCF/BIMA, Co-chair, Bernadette Connolly, DHFS/DHCF/BIMA, Marcia Williamson, DHFS/DHCF/BIMA, Chris Elms, Dane Co., Joanne Ator, Door Co., Lorie Mueller, LaCrosse Co., Lisa Hanson, DHFS/DHCF/BHCE, Vicki Jessup, DHFS/DHCF/BIMA, Pam Lohaus, DHFS/OSF/Southern Region, and Jacaie Coutant, Milwaukee Co.

Members: Joanne Simpson, DHFS/DHCF/BIMA, Marilyn Rudd, DHFS/DHCF/BIMA, Kathy Judd, Dane Co.,

1. Minutes from 3/24 meeting

Minutes from the March 24th meeting were approved as written.

Bernadette Connolly agreed to send all agendas and minutes from the IMAC-QA Subcommittee to Chloe Bodine to have them put out on the IMAC website.

* Congratulations go out to Jacaie Coutant who received a gold watch from Milwaukee County for 26 years of service.

2. Food stamp PowerPoint update

Jackie Bennett had contacted Lisa Hanson to discuss some changes that needed to be made in the EBT section of the PowerPoint. Lisa sent the PowerPoint to Judy Woelfel to review and make the appropriate changes. Amy Mendel-Clemens has received a copy of the PowerPoint and will send it through the proper channels for approval. Once approved, Amy will work on having it placed on the web.

The committee decided that in order to be sure the information on the availability and usage of the PowerPoint was distributed to all the appropriate people it will need to be explained in an OPS Memo and sent out on a DXBM.

In the planning stages of the PowerPoint there had been a discussion on having a voice activated version of the PowerPoint. Dave Turk from Dane County had offered to do the voice activated version. Marcia Williamson will contact Dave to find out if he is still willing and able to do this.

The discussion of language translation was also discussed. Lisa will discuss this with Amy from the communications section. We will possibly need to get an estimate. It was decided that if the estimate was extremely high we would not have the translation completed until after all the major food stamp changes had taken place in July 2003.

Sanction Options Survey:

Vicki Jessup provided the final outcomes of the survey sent out on sanction options. The final results were:

Question 1. What percentage of a sanction should be passed through to local agencies?

7	50%
1	75%
2	100%
1	0%
1	25%
2	Other

Question 2. Which agencies should be liable if a sanction is imposed on Wisconsin?

6	Only those agencies with error cases in the QC sample
3	All agencies.
3	Only those cases with a valid QC sample (30 cases).

Question 3. Preferred method for calculating the sanction amount.

3	Impose a flat sanction amount for each case.
3	Develop a formula for error cases which considers the allotment amount in \$ issuance error.
2	Develop a formula to calculate sanction amount according to IM allocation.
2	Develop a formula to calculate sanction amount according to caseload size.
1	Develop a formula to calculate sanction amount according to agency size, small, medium, large or Milwaukee.
1	Other: A combination of the number of cases and agency size.

Question 4. Should agencies be allowed to develop a corrective action reinvestment plan to offset sanctions that mirrors the state/federal process?

12	Yes
2	No

The overall consensus was to allow the agencies the opportunity to develop a reinvestment plan with the sanction amount. This would depend on the final conclusion in calculating the sanction dollar amounts and if there was a sufficient enough amount to work with a reinvestment plan.

Sanction/Liability Exposure

A question was asked on how the sanction liability is determined. In the past the state has based the local agency sanction on what the Feds used for their calculation. The calculation the Feds use is rather complicated. It is based on the % of issuance error that exceeds the national average. This percentage is also weighted for certain factors such as workers, caseload, ratio of issuance, etc.

Once the Feds have a number, and if the state is in sanction status, they will take the state's dollars in error and multiply them by this number. The past year the amount was \$93.00 for every dollar in error.

The state in turn sanctioned local agencies that had a valid sample, 30 or more cases, reviewed and applied the \$93.00 per APE dollars in error.

The valid sample of 30 has been tossed around for many years. It had been reviewed and finally agreed upon by IMAC.

The question now is, is this fair to all the agencies?

Concerns regarding agency sanctions:

- Should the sanction amount be based on client errors as well as APE errors? Is this fair? (It is believed that client error should be reduced with upcoming changes.)
- Need a methodology to share the sanction liability fairly.
- Counties could be bankrupt if their sanction liability is too high.
- Should agencies be allowed to develop a reinvestment plan with the sanction amount?

2001 Sanction liability facts:

- The state was sanctioned \$2,873,308.00 by the Feds.
- 5 agencies had a valid sample (30 or more)
- 28 local agencies were over the national average (8.6%)
- 24 local agencies were over a 10% error rate.
- Only 2 local agencies could possibly be affected by a sanction, Milwaukee and Rock.
- 12.5% of the \$2.8 million could be passed on to the local agencies.
- 87.5% would be the responsibility of the state – which is not equitable.

QC sample issues:

- Approximately 1100 cases a year are picked from a statewide random sample.
- The state is unable to tinker with the Feds sample.
- As John stated, it's just luck, or bad luck, of the draw.

Items voted on:

1. Should 30 or more cases be used as a valid sample?
Yes 2
No 9
2. Should we do one or two proposals to present to IMAC, one with using the valid sample of 30 and one without using the valid sample?
One proposal 6
Two proposals 5

Decision was made to do only 1 proposal to present to IMAC, not using 30 as a valid sample size. It was also stated that IMAC would probably tend to go towards using 30 as a valid sample, so in reality both scenarios will be reviewed.

Discussion on determining sanctions for local agencies:

Farm Bill language states there is a hold harmless buffer. This allows the states to fluctuate slightly from the national average and will not be sanctioned. This could be worked into the local agency sanction process.

John Haine has agreed to send the Farm Bill language to all QA Subcommittee members to review before next meeting.

It was unanimous that we set a cap on the sanction liability amount that could be given to an agency. This could be based on a percentage of the IM allocation. This will need to be discussed further.

Options discussed for sanctions:

- Developing a formula, similar to what FNS uses.
- Using a flat rate per case.
- Taking the state sanction amount and dividing it among those agencies that are in sanction status. Amount determined by caseload size and IM allocation.

Final Conclusions from April 24, 2003 meeting:

- Submit one proposal to IMAC
- Eliminate the valid sample of 30 or more cases.
- Provide a hold harmless buffer.
- Set a cap on the sanction liability.
- Need to discuss and determine the best formula for calculating the sanction liability for the agencies.

It was also discussed that there is the possibility of providing bonuses similar to providing sanctions. It also needs to be made clear to the agencies that even if they are not eligible for a bonus in the payment accuracy rate they may still be potentially eligible for a bonus in any of the other Farm Bill Options.

Next Meeting: May 12, 2003 - 9:00 AM to 3:00 PM